

GARAGE UNICOVER COVERAGE PART 500

This Coverage Part applies only when it is shown in the declarations. Such insurance applies only to those insureds, security interests and locations designated for each coverage as identified in declarations item 2 by letter(s) or number.

The General Conditions apply except as amended or replaced in this Coverage Part.

INSURING AGREEMENT - WE will pay all sums the INSURED legally must pay as DAMAGES (including punitive DAMAGES where insurable by law) because of INJURY to which this insurance applies caused by an OCCURRENCE arising out of GARAGE OPERATIONS or AUTO HAZARD.

WE will pay all sums the INSURED legally must pay because of COVERED POLLUTION DAMAGES to which this insurance applies caused by an OCCURRENCE arising out of GARAGE OPERATIONS or AUTO HAZARD.

WE will pay all sums the INSURED legally must pay as DAMAGES (including punitive DAMAGES where insurable by law) because of STATUTE AND TITLE E&O when such insurance is included in the declarations.

WE have the right and duty to defend any SUIT asking for these DAMAGES. WE may investigate and settle any claim or SUIT WE consider appropriate. OUR payment of the limit shown in the declarations ends OUR duty to defend.

WE have no right or duty to defend SUITS for DAMAGES not covered by or declared for this Coverage Part.

WE will pay all defense costs actually incurred to defend any SUIT asking for CUSTOMER COMPLAINT DEFENSE and EMPLOYMENT RELATED DEFENSE when such insurance is included in the declarations. WE may investigate and, at OUR option, settle any such SUIT. If WE settle a SUIT the settlement will be at OUR expense except for the applicable deductible. Otherwise,

all court costs, settlements and DAMAGES assessed against YOU will be at YOUR expense.

DEFINITIONS - When used in this Coverage Part:

"ADMINISTRATION" means (a) interpreting for or giving counsel to employees, (b) handling records, and (c) effecting enrollment, termination or cancellation of employees, all under YOUR employee benefits programs when such acts are authorized by YOU.

"AUTO" means a land motor vehicle, trailer or semi-trailer, other land equipment capable of moving under its own power, equipment for use with it, and animal drawn equipment.

"AUTO HAZARD" means the ownership, maintenance, or use of any AUTO YOU own or which is in YOUR care, custody or control and:

- (1) used for the purpose of GARAGE OPERATIONS;
- (2) used principally in GARAGE OPERATIONS with occasional use for other business or nonbusiness purposes;
- (3) furnished for the use of any person or organization.

"CONTRACT DRIVERS" means any person or organization using an AUTO covered by this Coverage Part within the scope of YOUR permission while under contract to YOU to drive that AUTO to a location YOU specify.

"COVERED POLLUTION DAMAGES" means those POLLUTION DAMAGES not otherwise excluded which occur away from premises owned or operated by YOU, arising from:

- (1) YOUR PRODUCT or WORK;
- (2) POLLUTANTS while being transported on a covered AUTO by YOU;
- (3) fuel or lubricants, fluids, exhaust gases or other similar POLLUTANTS needed for or result from the normal electrical, hydraulic

or mechanical functioning of the covered AUTO or its parts, if the POLLUTANTS escape or are discharged or released directly from an AUTO part designed by the manufacturer to hold, store, receive or dispose of such POLLUTANTS;

- (4) POLLUTANTS, not in or upon a covered AUTO, that are upset, overturned or damaged as a result of the maintenance or use of a covered AUTO and are the direct result of such upset, overturn or damage.

"CUSTOMER COMPLAINT DEFENSE" means any SUIT filed against YOU during the Coverage Part period by or on behalf of a customer arising out of the sale, lease, rental, service or repair of YOUR PRODUCT, other than as a direct result of an OCCURRENCE or as defined in STATUTE AND TITLE E&O.

"CUSTOMER'S AUTO" means an AUTO not owned by YOU but in YOUR care, custody or control for safekeeping, storage, service or repair.

"DAMAGES" means amounts awardable by a court of law. With respect to INJURY Group 6, DAMAGES also means amounts awardable by administrative agencies. DAMAGES does not mean civil penalties, fines or assessments.

"DISCRIMINATION" means violation of any statute prohibiting unequal treatment of protected classes, including reverse discrimination, and harassment arising therefrom.

"EMPLOYMENT RELATED DEFENSE" means any SUIT filed against YOU during the Coverage Part period by or on behalf of an employee arising out of YOUR employment practices, including wrongful termination, other than as a result of an OCCURRENCE or as would be covered by a Workers Compensation or Employers Liability Policy.

"GARAGE OPERATIONS" means the ownership, maintenance or use of that portion of any premises where YOU conduct YOUR AUTO business and all other operations necessary or incidental thereto.

"HAULAWAY" means a conveyance designed solely for use in transporting four or more four-wheeled motor vehicles.

"INJURY" means, with respect to:

Group 1--bodily injury, sickness, disease or disability (including death resulting from any of these) or damage to or loss of use of tangible property;

Group 2--mental anguish, mental injury, fright, shock, or humiliation, except when arising from DISCRIMINATION;

Group 3--false arrest, false imprisonment, wrongful eviction, wrongful detention, malicious prosecution, abuse of process, libel, slander, defamation of character, private nuisance (except pollution), invasion of rights of privacy or possession of personal property;

Group 4--plagiarism, misappropriation of advertising ideas or style, infringement of copyright, title, slogan or trademark;

Group 5--any error or omission in the ADMINISTRATION of YOUR profit sharing, pension or employee stock subscription plans or YOUR group life, group hospitalization or major medical, group accident and health, Worker's Compensation, unemployment, social security or disability benefits insurance;

Group 6-- DISCRIMINATION.

"INSURED CONTRACT" means any of the following, if such contract or agreement is executed prior to the OCCURRENCE:

- (1) a lease of premises, elevator maintenance agreement, sidetrack agreement;
- (2) a license agreement in connection with vehicle or pedestrian private crossings at grade, any easement agreement except in connection with construction or demolition operations within 50 feet of a railroad;
- (3) an obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

- (4) that part of any contract or agreement by YOU, YOUR partners, executive officers, stockholders, directors, or employees pertaining to the rental or lease of AUTOS to them for use in YOUR GARAGE OPERATIONS. This does not apply to damage to such AUTO;
- (5) any written contract or agreement in which YOU agree to indemnify or hold harmless any manufacturer, distributor or importer of AUTOS or watercraft with respect to YOUR use, repair, or servicing of AUTOS or watercraft;
- (6) that part of any other contract or agreement pertaining to AUTO HAZARD or GARAGE OPERATIONS (including an indemnification of a municipality in connection with work performed for a municipality) under which YOU assume the tort liability of another. However, this does not include that part of any contract or agreement that indemnifies an architect, engineer or surveyor for INJURY arising out of:
 - (a) preparing, approving, or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications;
 - (b) giving directions or instructions, or failing to give them, if that is the primary cause of the INJURY.

"OCCURRENCE", with respect to COVERED POLLUTION DAMAGES, INJURY Groups 1 and 2 means an accident, including continuous or repeated exposure to conditions, which results in such INJURY or COVERED POLLUTION DAMAGES during the Coverage Part period neither intended nor expected from the standpoint of a reasonably prudent person.

With respect to INJURY Groups 3, 4, 5 and 6, OCCURRENCE means acts of the INSURED during the Coverage Part period which result in such INJURY.

All INJURY or COVERED POLLUTION DAMAGES arising out of continuous or repeated

exposure to substantially the same general conditions will be considered as arising out of one OCCURRENCE.

"POLLUTANTS" means any solid, liquid, gaseous, or thermal irritant or contaminant including (but not limited to) smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. "Waste" includes (but is not limited to) materials to be recycled, reconditioned, or reclaimed.

"POLLUTION DAMAGES" means any cost or expense arising out of a request, demand, order, claim or SUIT by or on behalf of a governmental authority demanding that the INSURED test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of POLLUTANTS.

"PRODUCT" means the goods or products YOU make, sell, service, or repair in GARAGE OPERATIONS.

"STATUTE AND TITLE E&O" means any claim or SUIT filed against YOU, other than as a result of an OCCURRENCE or CUSTOMER COMPLAINT DEFENSE, by or on behalf of:

- (a) a customer arising out of GARAGE OPERATIONS, because of an alleged violation during the Coverage Part period, of any federal, state or local:
 - (1) odometer law;
 - (2) truth-in-lending or truth-in-leasing law;
 - (3) auto damage disclosure law;
 - (4) competitive auto parts law;
 - (5) used car "Buyers Guide", including federal regulation 455;
- (b) any person or organization who has suffered a financial loss due to the failure of YOUR employee, to properly specify during the Coverage Part period, the name of the security interest or "legal owner" on auto title papers.

Part (b) does not apply unless the purchaser sells or transfers title to such auto.

"SUIT" means a civil action for DAMAGES, including arbitration or mediation to which the INSURED must submit or submits with OUR consent. A class action is one SUIT. SUIT does not mean administrative actions (except under INJURY Group 6 and EMPLOYMENT RELATED DEFENSE) or equitable actions.

"WORK" means work or operations YOU perform or work someone else performed for YOU and includes materials, parts, or equipment furnished with such work or operations.

WHO IS AN INSURED - With respect to GARAGE OPERATIONS (other than the AUTO HAZARD), CUSTOMER COMPLAINT DEFENSE or STATUTE AND TITLE E&O:

- (1) YOU;
- (2) YOUR spouse, if YOU are a sole proprietorship;
- (3) Any of YOUR partners and their spouses, paid employees, directors, executive officers, stockholders, while acting within the scope of their duties as such.

With respect to the AUTO HAZARD:

- (1) YOU;
- (2) Any of YOUR partners, paid employees, directors, stockholders, executive officers, a member of their household or a member of YOUR household, while using an AUTO covered by this Coverage Part, or when legally responsible for its use. The actual use of the AUTO must be by YOU or within the scope of YOUR permission;
- (3) any CONTRACT DRIVER;
- (4) Any other person or organization required by law to be an INSURED while using an AUTO covered by this Coverage Part within the scope of YOUR permission.

With respect to CUSTOMER COMPLAINT DEFENSE and STATUTE AND TITLE E&O:

- (1) YOU;
- (2) YOUR spouse, if YOU are a sole proprietorship;
- (3) Any of YOUR partners and their spouses, directors, executive officers, and stockholders, while acting within the scope of their duties as such.

WHO IS NOT AN INSURED - With respect to the AUTO HAZARD, any INSURED (except YOU) with respect to an AUTO owned by them.

Any partnership or joint venture unless the partnership or joint venture is shown in the declarations as a Named Insured. This does not apply to any joint venture, of which YOU are a part, with respect to any coverage afforded YOU by Group 4 of the definition of INJURY.

EXCLUSIONS - This insurance does not apply to:

- (a) INJURY, EMPLOYMENT RELATED DEFENSE, COVERED POLLUTION DAMAGES, CUSTOMER COMPLAINT DEFENSE or STATUTE AND TITLE E&O, if caused by any dishonest, fraudulent or criminal acts committed by any INSURED;
- (b) any act committed by or at the direction of the INSURED with intent to cause harm. This exclusion does not apply if INJURY arises solely from the intentional use of reasonable force for the purpose of protecting persons or property;
- (c) INJURY as defined in Group 1 and 2 to any employees of the INSURED arising out of and in the course of their employment by or on behalf of the INSURED:
 - (1) for which the INSURED may be held liable as an employer or in any other capacity;
 - (2) any obligation of the INSURED to indemnify or contribute with another because of such INJURY;

- (3) to any INJURY sustained by any relative of the employee as a consequence of the INJURY to such employee.

This exclusion does not apply:

- (i) under Part (1), to domestic employees of the INSURED not entitled to Workers' Compensation benefits;
 - (ii) under Part (2), to any contract excepted in Exclusion (d);
 - (iii) to damage to or loss of use of tangible property owned by such employee;
 - (iv) to INJURY, as defined in Group 1, to any of YOUR employees with respect to any claim made or SUIT filed against them by another of YOUR employees because of an OCCURRENCE arising out of and in the course of their employment by YOU.
- (d) liability assumed under any contract or agreement. This exclusion does not apply to an INSURED CONTRACT under:
- (1) INJURY Groups 1, 2 and 3;
 - (2) INJURY Groups 4, 5 or 6 with respect to YOUR negligent acts;
- but in any event for no more coverage than is afforded the INSURED;
- (e) any claim made or SUIT arising out of any manufacturer's warranty, extended warranty, extended service agreement, or mechanical breakdown agreement;
 - (f) INJURY, COVERED POLLUTION DAMAGES or CUSTOMER COMPLAINT DEFENSE arising out of the ownership, maintenance, repair, use, loading or unloading of any aircraft, or arising out of the manufacture, storage, sale, handling, or distribution of aircraft, aircraft engines, or aircraft parts;
 - (g) INJURY or POLLUTION DAMAGES arising out of the actual, alleged, or threatened discharge, dispersal, release, migration, seepage or escape of POLLUTANTS:

- (1) that are or that are contained in any property that is:

- (i) being moved from the place where such property or POLLUTANTS are accepted by the INSURED for movement into or onto the covered AUTO;
- (ii) being moved from the covered AUTO to the place where such property or POLLUTANTS are finally delivered, disposed of or abandoned by the INSURED;
- (iii) being transported or towed by the covered AUTO;
- (iv) otherwise in the course of transit;
- (v) being stored, disposed of, treated or processed in or upon the covered AUTO;

Parts (1), (i) (ii) and (iii) apply only to POLLUTANTS or POLLUTANTS contained in property being transported or towed by, handled for movement into, onto or from an AUTO by others for YOU;

- (2) at or from premises owned, rented or occupied by an INSURED;
- (3) at or from any site or location used by or for any INSURED or others for the handling, storage, disposal, processing or treatment of waste;
- (4) at or from any site or location on which any INSURED or any contractors or subcontractors working directly or indirectly on an INSURED'S behalf are performing operations:
 - (i) to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize the POLLUTANTS;
 - (ii) if the POLLUTANTS are brought on or to the site in connection with such operations;
- (5) which are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any

INSURED or any person or organization for whom the INSURED may be legally responsible.

This exclusion does not apply to INJURY caused by heat, smoke or fumes from a hostile fire. A "hostile fire" is one that becomes uncontrollable or breaks out from where it was intended to be.

Paragraphs (1)(v) and (2) through (5) do not apply to fuels, lubricants, fluids, exhaust gases or other similar POLLUTANTS that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered AUTO or its parts, if the POLLUTANTS escape or are discharged, dispersed or released directly from an AUTO part designed by its manufacturer to hold, store, receive or dispose of such POLLUTANTS.

Paragraph (2) does not apply to airborne paint overspray.

Paragraphs (2) through (5) do not apply to POLLUTANTS not in or upon the covered AUTO if:

1. the POLLUTANTS or any property in which the POLLUTANTS are contained are upset, overturned or damaged as a result of the maintenance or use of the covered AUTO,
 2. the discharge, dispersal, release or escape of the POLLUTANTS is caused directly by such upset, overturn or damage, and
 3. the INJURY is not otherwise excluded under Paragraph (1) of this exclusion.
- (h) INJURY or COVERED POLLUTION DAMAGES arising out of YOUR business of serving, manufacturing, distributing or selling alcoholic beverages;
- (i) INJURY or COVERED POLLUTION DAMAGES arising out of the ownership, use, loading or unloading of any;

(1) AUTO, while:

- (i) being used as a HAULAWAY;
- (ii) operated in, or in practice or preparation for any prearranged or organized race, rally, speed, demolition or competitive contest or stunting activity;
- (iii) leased or rented by YOU to others, except to:

- (1) YOUR partners, paid employees, directors, stockholders, or executive officers for use principally in GARAGE OPERATIONS and AUTO HAZARD;
- (2) YOUR customers for a term of two months or less when it temporarily replaces the CUSTOMER'S AUTO, or when the customer is awaiting delivery of any AUTO purchased from YOU.

Exceptions (1) and (2) do not apply to (i) an AUTO owned by any AUTO manufacturer or any of its subsidiaries or affiliated companies nor to (ii) an AUTO owned by YOU and used in connection with any leasing or rental operation for an AUTO manufacturer, its subsidiaries or affiliated companies.

- (iv) being used as a taxi cab, bus, public livery vehicle, emergency ambulance, long haul public freight carrier or for carrying property for a charge;
- (v) being used to transport explosives, gasoline, liquefied petroleum gas or other volatile petroleum products;

Exclusion (iv) and (v) do not apply when the excluded class or operation constitutes a minor and incidental part of GARAGE OPERATIONS.

(2) Watercraft:

- (i) over 35 feet in length;
- (ii) when used for nonbusiness purposes by any INSURED, regardless of length;

- (iii) when rented or leased to others;
 - (iv) while afloat over 50 nautical miles from the coastal shoreline of the 48 contiguous United States, the District of Columbia, or Canada;
 - (v) operated in, or in practice or preparation for any prearranged or organized race, rally, speed, or competitive contest or stunting activity;
- (j) **INJURY or COVERED POLLUTION DAMAGES to:**
- (1) personal property, including AUTOS, owned by, rented or leased to, used by, in the care, custody or control of, or being transported by the INSURED. This does not apply, with respect to INJURY, to liability assumed by YOU under a written sidetrack agreement with respect to property used by YOU or in YOUR care, custody or control;
 - (2) real property owned by, rented or leased to, used by, or in the care, custody, or control of the INSURED, except, with respect to INJURY;
 - (i) to real property not owned by YOU caused by an AUTO operated by an INSURED;
 - (ii) to liability assumed by YOU under a written sidetrack agreement, with respect to property used by YOU or in YOUR care, custody or control;
- (k) loss of use of property not physically damaged, if caused by:
- (1) YOUR delay or failure in performing any agreement or contract;
 - (2) the failure of YOUR PRODUCT or YOUR WORK to meet the quality warranted or the level of performance represented;
- (l) **INJURY, COVERED POLLUTION DAMAGES or CUSTOMER COMPLAINT DEFENSE** claimed because of the recall of YOUR PRODUCTS or YOUR WORK, or other prop-

erty of which they form a part, due to a known or suspected defect or deficiency they contain;

- (m) **INJURY**, as defined in Groups 3 and 4 if the first injurious offense was committed prior to the Coverage part period;
- (n) **INJURY**, as defined in Group 5, if caused by:
 - (1) failure of performance by any insurer or self insurer;
 - (2) an INSURED'S failure to comply with any Workers' Compensation, unemployment insurance, Social Security or disability benefits law or similar laws;
 - (3) failure of investments or assets to perform as represented by an INSURED;
 - (4) advice given by an INSURED to an employee to participate or not to participate in stock subscription plans;
 - (5) failure of any Employee Benefits program, for any reason;
 - (6) the investment or non-investment of funds;
 - (7) violation of the duties, obligations or responsibilities imposed by the Employee Retirement Income Security Act of 1974 (ERISA), its amendments, or any similar local, state or federal law. This exclusion also applies to all remedies under the Consolidated Omnibus Budget Reconciliation Act (COBRA) except to benefits due an employee prescribed by the act;
- (o) **INJURY, COVERED POLLUTION DAMAGES, CUSTOMER COMPLAINT DEFENSE, EMPLOYMENT RELATED DEFENSE or STATUTE AND TITLE E&O** arising out of an INSURED'S activities as an insurance agent, broker or consultant;
- (p) radioactive contamination or the explosion or malfunction of a nuclear weapon, device or facility, or their consequences.

THE MOST WE WILL PAY - Regardless of the number of INSUREDS or AUTOS insured or premiums charged by this Coverage Part, persons

or organizations who sustain INJURY or COVERED POLLUTION DAMAGES, claims made or SUITS brought, the most WE will pay is:

- (1) With respect to GARAGE OPERATIONS and AUTO HAZARD, the limit shown in the declarations, for any one OCCURRENCE.

With respect to liability assumed under a contract or agreement, WE will pay no more than the amount required by such contract or agreement, or the limit shown in the declarations, whichever is less.

With respect to the AUTO HAZARD part (3) of WHO IS AN INSURED, the most WE will pay is that portion of such limits needed to comply with the minimum limits provision law in the jurisdiction where the OCCURRENCE took place. When there is other insurance applicable, WE will pay only the amount needed to comply with such minimum limits after such other insurance has been exhausted.

With respect to the AUTO HAZARD part (4) of WHO IS AN INSURED, the most WE will pay is that portion of such limit needed to comply with the minimum limits provision law in the jurisdiction where the OCCURRENCE took place. When there is other insurance applicable, WE will pay only the amount needed to comply with such minimum limits after such other insurance has been exhausted;

- (2) With respect to STATUTE AND TITLE E&O, the annual aggregate limit shown in the declarations for the sum of all DAMAGES and settlements involving STATUTE AND TITLE E&O;
- (3) With respect to CUSTOMER COMPLAINT DEFENSE and EMPLOYMENT RELATED DEFENSE, the limit per SUIT stated in the declarations for such coverage, in defense costs for any one SUIT, but not for more than the annual aggregate limit in the declarations for all such defense costs during the Coverage Part period.

Any settlement made by US under CUSTOMER COMPLAINT DEFENSE or EMPLOYMENT RELATED DEFENSE will be included in the limit per SUIT and the annual aggregate limit shown in the declarations.

OUR obligation to pay under CUSTOMER COMPLAINT DEFENSE will cease when the manufacturer assumes defense of such SUITS or claims made against an INSURED.

DEDUCTIBLES - From the amounts payable for INJURY, other than Group 6, WE will deduct the amount shown in the declarations from each OCCURRENCE. As shown in the declarations:

"Work" means INJURY to AUTOS arising out of YOUR WORK.

"Products" means INJURY to YOUR PRODUCTS if caused by a defect existing in YOUR PRODUCT at the time possession was relinquished to the purchaser.

"Premises" means INJURY to real property not owned by YOU, but in YOUR care, custody, or control.

From the amounts payable for DAMAGES, settlements and defense costs for INJURY Group 6, WE will deduct the percentage shown in the declarations for each SUIT or claim filed against YOU. The most WE will deduct for all DAMAGES, settlements and defense costs for each claim or SUIT is that percentage times the limit shown in the declarations.

From the amounts payable for DAMAGES, settlements and defense costs for STATUTE AND TITLE E&O, WE will deduct the amount shown in the declarations for each SUIT or claim filed against YOU.

From the amounts payable for settlements and defense for CUSTOMER COMPLAINT DEFENSE and EMPLOYMENT RELATED DEFENSE, WE will deduct the amount shown in the declarations for each SUIT filed against YOU.

WE WILL ALSO PAY - In addition to our limits for INJURY, COVERED POLLUTION DAMAGES

and STATUTE AND TITLE E&O, WE will also pay:

- (a) all costs and expenses in defending an INSURED, and interest on that part of the judgment covered by this Coverage Part within OUR limits, that accrues after entry of any judgment in any SUIT WE defend, but only until WE have paid, offered to pay or deposited in court that part of the judgment that is within OUR limit;
- (b) premiums on appeal bonds or bonds to release property used to secure YOUR legal obligations, in a SUIT WE defend, but only for bond amounts within OUR limits. Also, up to \$250 for the cost of bail bonds required because of an OCCURRENCE, including related traffic law violations. WE do not have to furnish or secure these bonds;
- (c) expenses YOU incur for first aid to anyone injured in an OCCURRENCE covered by this Coverage Part;
- (d) up to \$100 a day for loss of earnings (but not other income) because of attendance at hearings or trials at OUR request;
- (e) other reasonable expenses incurred at OUR request.

INSURED'S DUTIES AFTER INJURY, COVERED POLLUTION DAMAGES, OCCURRENCE, CLAIM OR SUIT - If there is an OCCURRENCE, the INSURED is sued, or a claim is made against an INSURED:

- (1) YOU must report this to US as soon as possible. Give US all the details YOU can, including when, where and how it happened, the names and address of persons involved, injured and any witnesses;
- (2) Each INSURED must promptly send US all documents, if they are sued or if claim is made against them. If a dispute arises as to whether an INSURED mailed, or WE received, notice of a claim or SUIT,

only a certified mailing receipt will be proof of mailing;

- (3) Each INSURED must cooperate and assist US in the investigation, settlement, defense, enforcement of contribution or indemnification. The INSURED may not, except at their own expense, make any offer or payment, assume any obligation or incur any expense unless otherwise permitted in this Coverage Part.

LIMITED WORLDWIDE LIABILITY EXTENSION - With respect to INJURY, the POLICY TERRITORY is extended to anywhere in the world when caused by an INSURED who permanently lives in the United States of America, its possessions, or Canada but only while temporarily outside those places. This extension does not apply to watercraft.

NEWLY ACQUIRED GARAGE OPERATIONS EXTENSION - The insurance afforded by this Coverage Part is extended to include as a named insured any GARAGE OPERATION acquired or formed by YOU and which YOU maintain ownership or in which the majority interest is the same as YOU. This extension ends the earlier of 90 days from (a) the date of acquisition or formation or (b) the date YOU report the newly acquired or formed GARAGE OPERATION to US. YOU must pay any additional premiums due. This extension does not apply to a GARAGE OPERATION:

- (1) that is a joint venture;
- (2) that is an insured under any other liability or indemnity policy;
- (3) that has exhausted its limit of insurance under any other liability policy.

OUT OF STATE EXTENSION - While an AUTO or watercraft insured by this Coverage Part is away from the state where YOU conduct GARAGE OPERATIONS, WE will:

- (1) Increase this Coverage Part limits to meet those specified by any compulsory or financial responsibility law in the jurisdiction

tion where the AUTO or watercraft is being used;

- (2) Provide the minimum amounts and types of other coverages, such as "No Fault", required of out-of-state AUTOS or watercraft by the jurisdiction where the AUTO or watercraft is being used.

WE will not pay anyone more than once for the same elements of INJURY because of these extensions.

PRIOR ACTS EXTENSION - Coverage is extended to apply to SUITS or claims for STATUTE AND TITLE E&O filed during the Coverage Part period which arise from acts which took place prior to that period. The insurance provided by this extension is part of and not in addition to the limit shown in the declarations.

OTHER INSURANCE - The insurance afforded by this Coverage Part is primary, except it is excess:

(1) for COVERED POLLUTION DAMAGES, CUSTOMER COMPLAINT DEFENSE, EMPLOYMENT RELATED DEFENSE and STATUTE AND TITLE E&O;

(2) for any person or organization under part (3) or (4) of WHO IS AN INSURED with respect to the AUTO HAZARD;

(3) under the AUTO HAZARD, for any AUTO owned by a manufacturer and more specifically insured;

(4) under the LIMITED WORLDWIDE LIABILITY EXTENSION.

If WE pay STATUTE AND TITLE E&O where other insurance may be available to YOU, WE have the right to seek reimbursement from the other insurance coverages.

**UNINSURED MOTORISTS
UNICOVER COVERAGE PART 530**

This Coverage Part applies only when it is shown in the declarations. Such insurance applies only to those insureds designated for each coverage as identified in declarations item 2 by letter(s) or number.

The General Conditions apply except as amended or replaced in this Coverage Part.

INSURING AGREEMENT - WE will pay all sums the INSURED is legally entitled to recover as compensatory DAMAGES from the owner or driver of an UNINSURED MOTOR VEHICLE. The DAMAGES must result from (1) BODILY INJURY sustained by the INSURED and caused by an ACCIDENT or (2) PROPERTY DAMAGE, caused by an ACCIDENT, when such insurance is included in the declarations. The owner's or driver's liability for the DAMAGES must result from the ownership, maintenance or use of the UNINSURED MOTOR VEHICLE.

DEFINITIONS - When used in this Coverage Part:

"ACCIDENT" includes continuous or repeated exposure to the same conditions resulting in BODILY INJURY or PROPERTY DAMAGE the INSURED neither expected nor intended.

"BODILY INJURY" means bodily injury, sickness or disease, including death resulting from any of these.

"COVERED AUTO" means any land motor vehicle, trailer or semi-trailer designed for travel on public roads which is insured by this Coverage Part and shown on the declarations. COVERED AUTO does not include MOBILE EQUIPMENT.

"DAMAGES" means amounts awardable by a court of law. DAMAGES does not mean civil penalties, fines or assessments.

"FAMILY MEMBER" means a person related to the INSURED by blood, marriage or adoption, including a ward or foster child, who is a resident of the INSURED'S household.

"LOSS" means direct and accidental damage or loss.

"MOBILE EQUIPMENT" means vehicles designed for use principally off public roads, those not required to be licensed, and those land motor vehicles, trailers or semi-trailers designed for travel on public roads which are used solely on the INSURED'S premises. It includes, but is not limited to, bulldozers, power shovels, rollers, graders, scrapers, and any other road construction equipment, farm machinery, cranes, forklifts, pumps, generators, air compressors, drills, street sweepers, riggers, or vehicles used to provide mobility for any of these when permanently attached to the equipment.

"OCCUPYING" means being in, on, entering into, getting out of or off of.

"PROPERTY DAMAGE" means injury to or destruction of:

- (1) a COVERED AUTO;
- (2) property contained in the COVERED AUTO owned by an INSURED, a FAMILY MEMBER or anyone else OCCUPYING the COVERED AUTO.

"UNINSURED MOTOR VEHICLE" means a land motor vehicle or trailer:

- (1) which, at the time of the ACCIDENT, was not insured or bonded in at least the amount required by the applicable law where a COVERED AUTO is principally garaged;
- (2) which, at the time of the ACCIDENT, was insured or bonded but the insuring or bonding company either denied coverage, is or becomes insolvent;
- (3) which is a hit-and-run vehicle and neither the owner nor driver can be identified. The vehicle must hit an INSURED, a COVERED AUTO, or a vehicle an INSURED is OCCUPYING.

However, "UNINSURED MOTOR VEHICLE" does not include any vehicle:

- (1) owned or operated by a self-insurer under any applicable motor vehicle law;
- (2) owned by a governmental unit or agency;
- (3) designed for use mainly off public roads while not on public roads.

WHO IS AN INSURED - With respect to this Coverage Part:

- (1) YOU;
- (2) any of YOUR partners, paid employees, directors, stockholders, executive officers, or any FAMILY MEMBER while OCCUPYING a COVERED AUTO;
- (3) any other person while OCCUPYING a COVERED AUTO;
- (4) anyone for DAMAGES they are entitled to recover because of BODILY INJURY sustained by another INSURED.

EXCLUSIONS - This insurance does not apply to:

- (a) any claim settled without OUR consent;
- (b) the direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law;
- (c) the direct or indirect benefit of any insurer of property, or to any LOSS covered by auto physical damage insurance in this policy;
- (d) BODILY INJURY sustained by an INSURED, or any FAMILY MEMBER, while OCCUPYING or struck by any vehicle owned by an INSURED, or any FAMILY MEMBER, which is not a COVERED AUTO;
- (e) property contained in or struck by any vehicle owned by an INSURED or FAMILY MEMBER which is not a COVERED AUTO;

- (f) anyone using a vehicle without a reasonable belief that the person is entitled to do so;

- (g) exemplary or punitive DAMAGES.

THE MOST WE WILL PAY - Regardless of the number of COVERED AUTOS, INSUREDS, premiums charged, claims made or vehicles involved in the ACCIDENT, the most WE will pay for all DAMAGES resulting from one ACCIDENT is the limit stated in the declarations, less any applicable deductible.

With respect to persons insured by Part (3) of WHO IS AN INSURED, the most WE will pay is that portion of such limit needed to comply with the minimum limits provision of the financial responsibility or minimum liability law in the jurisdiction where the ACCIDENT took place. When there is such other insurance applicable, WE will pay only the amount needed to comply with such minimum limits after such other insurance has been exhausted.

Any amount payable under this insurance will be reduced by all sums paid or payable (1) under any workers' compensation, disability benefits or similar law, and (2) for anyone who is legally responsible, including all sums paid under any other Coverage Part of this policy.

Any amount paid under this Coverage Part will reduce any amount an INSURED may be paid under any other Coverage Part of this policy.

INSURED'S DUTIES AFTER AN ACCIDENT OR LOSS - If there is an ACCIDENT or LOSS:

- (1) Report this to US as soon as possible. Give US all the details, including where, when and how it happened, the names and addresses of persons involved, injured, and any witnesses;
- (2) Promptly send US all documents received in connection with the ACCIDENT;
- (3) Cooperate and assist US in the investigation, settlement, enforcement of contribution or indemnification. The INSURED

may not, except at their expense, make any offer or payment, assume any obligation or incur any expense;

- (4) Execute any documents to have medical reports and records released to US, and to submit to physical examinations by physicians chosen by US and as often as WE deem necessary;
- (5) Promptly notify the police if a hit-and-run driver is involved;
- (6) Permit US to inspect and appraise the damaged property before its repair or disposition;
- (7) Do what is reasonably necessary after LOSS, at OUR expense, to protect the COVERED AUTO from further LOSS;
- (8) Submit a proof of LOSS when WE require it.

OTHER INSURANCE - The insurance afforded by this Coverage Part is excess over any other valid and collectible insurance.

ARBITRATION - With respect to BODILY INJURY, if WE and an INSURED can't agree whether the INSURED is legally entitled to recover DAMAGES from the owner or driver of an UNINSURED MOTOR VEHICLE or do not agree as to the amount of DAMAGES, either party may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third arbitrator. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.

Unless both parties agree otherwise, arbitration will take place in the county in which the INSURED lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding and not appealable.

AGENTS ERRORS AND OMISSIONS UNICOVER COVERAGE PART 550

This Coverage Part applies only when it is shown in the declarations. Such insurance applies only to those insureds, security interests and locations designated for each coverage as identified in the declarations item 2 by letter(s) or number.

The General Conditions apply except as amended or replaced in this Coverage Part.

INSURING AGREEMENT - WE will pay all sums the INSURED legally must pay as DAMAGES to which this insurance applies, arising out of the conduct of YOUR business as an INSURANCE AGENT, and caused by any negligent act, error or omission which occurs during the Coverage Part period. DAMAGES include punitive DAMAGES, where insurable by law.

The insurance afforded is only for the types of insurance shown in the declarations for this Coverage Part.

WE have the right and duty to defend any SUIT asking for these DAMAGES. WE may investigate and settle any claim or SUIT WE consider appropriate. OUR payment of the limit shown in the declarations ends OUR duty to defend.

We have no right or duty to defend SUITS for DAMAGES not covered by this Coverage Part.

DEFINITIONS - When used in this Coverage Part:

"DAMAGES" means amounts awardable by a court of law. DAMAGES does not mean civil penalties, fines or assessments.

"INSURANCE AGENT" means a person or organization duly licensed (as required by law) as an insurance agent by the regulatory authority in the state(s) in which the INSURED engages in the automobile physical damage, credit life, or credit accident and health insurance business. INSURANCE AGENT does not mean an insurance broker, solicitor, or consultant.

"SUIT" means a civil action for DAMAGES, including arbitration or mediation to which the INSURED must submit or submits with OUR consent. A class action is one SUIT. SUIT does not mean administrative actions or equitable actions.

WHO IS AN INSURED - With respect to this Coverage Part:

1. YOU;
2. Any of YOUR partners, paid employees, directors, executive officers, stockholders, while acting within the scope of their duties as such;
3. If YOU are a partnership or joint venture, and partner or member thereof, but only with respect to their liability as such.

EXCLUSIONS - This insurance does not apply to:

- (a) any claim or SUIT if caused by any dishonest, fraudulent or criminal acts committed by any INSURED;
- (b) any claim or SUIT arising from any intentional act committed by any INSURED. This exclusion does not apply to YOU, if such act or omission is committed by YOUR employee (other than a partner, executive officer, director or stockholder) and such act or omission was not committed by YOUR direction or with YOUR knowledge;
- (c) liability of others assumed by any INSURED under any contract or agreement;
- (d) any claim or SUIT in connection with any insurance other than automobile physical damage, credit life, or credit accident and health;
- (e) any claim arising out of any such act or omission committed by or at the direction

of any INSURED which is a willful violation of the terms of any contract between the INSURED and an insurance company or regulatory authority;

- (f) Bodily Injury, Property Damage (including loss of use), mental anguish, mental injury, fright, shock, humiliation, false arrest, false imprisonment, wrongful eviction, wrongful detention, malicious prosecution, abuse of process, libel, slander, defamation of character, invasion of the rights of privacy or possession of personal property, plagiarism, copyright violation, false advertising, discrimination, unfair competition;
- (g) investment advice or professional services such as an attorney, accountant, actuary, notary, tax preparer, consultant, financial planner or real estate broker;
- (h) violation of the Employment Retirement Income Security Act of 1974 (ERISA) or the Racketeer Influenced and Corrupt Organizations Act (RICO), including any similar federal, state or local laws;
- (i) liability for fees, premiums, taxes, commissions, loss payments, escrow or brokerage fees.

THE MOST WE WILL PAY - Regardless of the number of INSUREDS covered by this insurance, premiums charged, persons or organizations who make claims or bring SUITS, the most WE will pay is the limit shown in the declarations as applicable to "each claim" with respect to all DAMAGES incurred on account of any claims covered by this insurance.

DEDUCTIBLES - From the amounts payable under this Coverage Part, WE will deduct the amount shown in the declarations as applicable to this insurance, from each claim.

WE WILL ALSO PAY - WE will pay in addition to OUR limit:

- (a) all costs and expenses in defending an INSURED, and interest on that part of the judgment covered by this Coverage Part

within our limits, that accrues after entry of any judgment in any SUIT WE defend, but only until WE have paid, offered to pay or deposited in court that part of the judgment that is within OUR limit;

- (b) premiums on appeal bonds or bonds to release property used to secure YOUR legal obligations, in a SUIT WE defend but only for bond amounts within OUR limits. WE do not have to furnish or secure these bonds;
- (c) up to \$100 a day for loss of earnings (but not other income) because of attendance at hearings or trials at OUR request;
- (d) other reasonable expenses incurred at OUR request.

INSURED'S DUTIES WITH REGARD TO A CLAIM OR SUIT - If the INSURED is sued, or a claim is made against an INSURED:

- (1) YOU must report this to US in writing as soon as possible. Give US all the details YOU can, including when, where and how it happened, the names and addresses of persons involved;
- (2) Each INSURED must promptly send US all documents, if any INSURED is sued or if claim is made against them. If a dispute arises as to whether YOU mailed, or WE received, notice of a claim or SUIT, only a certified mailing receipt will be proof of mailing;
- (3) Each INSURED must cooperate and assist US in the investigation, settlement, defense, enforcement or contribution of indemnification. The INSURED may not, except at their own expense, make any offer or payment, assume any obligation or incur any expenses unless otherwise permitted in this Coverage Part.

OTHER INSURANCE - This insurance is excess over any other applicable insurance and only for the amount OUR limit exceeds the limit stated in such other insurance.

**BASIC AUTO
UNICOVER COVERAGE PART 900**

This Coverage Part applies only when it is shown in the declarations. Such insurance applies only to those insureds, security interests and locations designated for each coverage as identified in declarations item 2 by letter(s) or number.

The General Conditions apply except as amended or replaced in this Coverage Part.

INSURING AGREEMENTS - WE will pay:

A. **INJURY** - all sums the **INSURED** legally must pay as **DAMAGES** (including punitive **DAMAGES** where insurable by law) because of **INJURY** to which this insurance applies, caused by an **OCCURRENCE** arising out of the ownership, maintenance, use, loading or unloading of an **OWNED AUTO** or **TEMPORARY SUBSTITUTE AUTO**.

COVERED POLLUTION DAMAGES - all sums the **INSURED** legally must pay because of **COVERED POLLUTION DAMAGES** to which this insurance applies caused by an **OCCURRENCE** arising out of the ownership, maintenance, use, loading or unloading of an **OWNED AUTO** or **TEMPORARY SUBSTITUTE AUTO**.

WE have the right and duty to defend any **SUIT** asking for these **DAMAGES**. WE may investigate and settle any claim or **SUIT** WE consider appropriate. OUR payment of the limit shown in the declarations for this Coverage Part ends OUR duty to defend.

WE have no right or duty to defend **SUITS** for **DAMAGES** not covered by this Coverage Part.

B. **MEDICAL PAYMENTS** - all reasonable and necessary medical, dental, and funeral expenses (incurred within three years after the **OCCURRENCE**) to or for each person:

(1) who sustains **INJURY** caused by an **OCCURRENCE** while **OCCUPYING** an **OWNED AUTO** or **TEMPORARY SUB-**

STITUTE AUTO being used by an **INSURED**;

(2) scheduled in the declarations pages (and residents of their household) who sustains **INJURY** caused by an **OCCURRENCE** while **OCCUPYING** or if struck by an **AUTO** other than a vehicle: (a) operated on rails or crawler-treads; (b) while located for use as a residence or premises; (c) which is a farm tractor or other equipment while off public roads.

C. **PHYSICAL DAMAGE** - for **LOSS** to an **OWNED AUTO** from any cause, except as excluded or as stated otherwise in the declarations.

DEFINITIONS - When used in this Coverage Part:

"**AUTO**" means any land motor vehicle, trailer or semi-trailer, designed for travel on public roads and includes its permanently attached equipment. "**AUTO**" does not include **MOBILE EQUIPMENT**, unless described in the declarations.

"**COLLISION**" means (1) impact of the **OWNED AUTO** with another object (other than a bird or animal) or with a vehicle to which it is attached, or (2) upset of the **OWNED AUTO**.

"**COMPREHENSIVE**" means any cause of **LOSS** other than **COLLISION**.

"**COVERED POLLUTION DAMAGES**" means those **POLLUTION DAMAGES** not otherwise excluded which occur away from premises owned or operated by **YOU**, arising from:

- (1) **POLLUTANTS** while being transported on an **AUTO** by **YOU**;
- (2) fuel or lubricants, fluids, exhaust gases or other similar **POLLUTANTS** needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered **AUTO** or its parts, if the **POLLUTANTS** escape or are discharged or released directly from an **AUTO** part designed by

the manufacturer to hold, store, receive or dispose of such POLLUTANTS;

- (3) POLLUTANTS, not in or upon a covered AUTO, that are upset, overturned or damaged as a result of the maintenance or use of a covered AUTO and are the direct result of such upset, overturn or damage.

"DAMAGES" means amounts awardable by a court of law. DAMAGES does not mean civil penalties, fines or assessments.

"INJURY" means bodily injury, sickness, disease, or disability (including death resulting from any of these) or damage to or loss of use of tangible property.

"INSURED CONTRACT" means any of the following, if such contract or agreement is executed prior to the OCCURRENCE:

- (1) a lease of premises, elevator maintenance agreement, sidetrack agreement;
- (2) a license agreement in connection with vehicle or pedestrian private crossings at grade, any easement agreement except in connection with construction or demolition operations within 50 feet of a railroad;
- (3) an obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- (4) that part of any contract or agreement by YOU, YOUR partners, executive officers, stockholders, directors, or employees pertaining to the LEASE or rental of AUTOS to them for use in YOUR business. This does not apply to damage to such AUTO;
- (5) that part of any other contract or agreement pertaining to YOUR business (including an indemnification of a municipality in connection with work performed for a municipality) under which YOU assume the tort liability of another.

"LEASE" means a written agreement for a term of 180 days or more wherein YOU are named as the lessee.

"LOSS" means direct and accidental loss or damage, in excess of the deductible amount stated in the declarations, occurring during the Coverage Part period.

"MOBILE EQUIPMENT" means vehicles designed for use principally off public roads, those not required to be licensed, and AUTOS used solely on YOUR premises. It includes, but is not limited to, bulldozers, power shovels, rollers, graders, scrapers, and any other road construction repair equipment, farm machinery, cranes, forklifts, pumps, generators, air compressors, drills, street sweepers, riggers, or vehicles used to provide mobility for any of these when permanently attached to the equipment.

"OCCUPYING" means being in, on, entering into, getting out or off of.

"OCCURRENCE" means an accident, including continuous or repeated exposure to conditions, which results in INJURY or COVERED POLLUTION DAMAGES during the Coverage Part period neither intended nor expected by a reasonably prudent person. All INJURY and COVERED POLLUTION DAMAGES arising out of continuous or repeated exposure to substantially the same general conditions will be considered as arising out of one OCCURRENCE.

"OWNED AUTO" means an AUTO YOU own or LEASE and is scheduled in the declarations, and any AUTO YOU purchase or LEASE as its replacement during the Coverage Part period. It also means any trailer designed for use with the type of AUTOS scheduled in the declarations. If WE insure all AUTOS YOU own or LEASE, additional AUTOS will be covered the day YOU purchase or LEASE them, if YOU notify US within the next 60 days.

"POLLUTANTS" means any solid, liquid, gaseous, or thermal irritant or contaminant including (but not limited to) smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. "Waste" includes (but is not limited to) materials to be recycled, reconditioned, or reclaimed.

"POLLUTION DAMAGES" means any cost or expense arising out of a request, demand, order, claim or SUIT by or on behalf of a governmental authority demanding that the INSURED test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of POLLUTANTS.

"SUIT" means a civil action for DAMAGES, including arbitration or mediation to which the INSURED must submit or submits with OUR consent. A class action is one SUIT. SUIT does not mean administrative actions or equitable actions.

"TEMPORARY SUBSTITUTE AUTO" means an AUTO not owned or LEASED by YOU, YOUR partners, officers or employees, or a member of YOUR or their household, when it is used temporarily with the owner's permission to replace an OWNED AUTO which is out of service due to its repair, servicing, loss or destruction.

WHO IS AN INSURED - With respect to this Coverage Part:

- (1) YOU, including YOUR spouse if a resident of the same household;
- (2) under INSURING AGREEMENTS A and B:
 - (a) YOUR partners and their spouses or executive officers. If they are using a TEMPORARY SUBSTITUTE AUTO, it must be used in YOUR business;
 - (b) any other person using an OWNED AUTO or TEMPORARY SUBSTITUTE AUTO within the scope of YOUR permission, unless it is being loaded or unloaded. Only YOUR employee, a borrower, or a borrower's employee is an INSURED for loading and unloading;
- (3) under INSURING AGREEMENT A only, anyone else, but only as a result of their liability because of what an INSURED in (1) or (2) above does or fails to do.

WHO IS NOT AN INSURED - None of the following is an INSURED:

- (1) The owner of lessor of an OWNED AUTO YOU LEASE. This does not apply if they are named in the declarations as applicable to this Coverage Part;
- (2) Any person engaged in the business of selling, repairing, servicing, storing or

parking of AUTOS (including roadtesting and delivery) unless the person is YOU, a resident or YOUR household, or YOUR partner, executive officer, agent, or employee or a resident of the household of any of them.

EXCLUSIONS - This insurance does not apply to:

- (a) INJURY or COVERED POLLUTION DAMAGES if caused by any dishonest, fraudulent or criminal acts committed by any INSURED;
- (b) any act committed by or at the direction of the INSURED with intent to cause harm. This exclusion does not apply if INJURY arises solely from the intentional use of reasonable force for the purpose of protecting persons or property;
- (c) INJURY to any employee of the INSURED arising out of and in the course of their employment, or any obligation of the INSURED to indemnify another for INJURY to the INSURED's employee. This exclusion does not apply:
 - (1) to domestic employees not entitled to Workers Compensation;
 - (2) to any of YOUR employees with respect to any claim made or SUIT filed against them by another of YOUR employees because of an OCCURRENCE arising out of and in the course of their employment by YOU;
 - (3) to an INSURED CONTRACT;
- (d) liability assumed by any INSURED under contract or agreement. This does not apply to an INSURED CONTRACT (to the same extent the INSURED has coverage);
- (e) any obligation for which an INSURED may be held liable under any Workers Compensation or disability benefits law or under any similar law;
- (f) INJURY or POLLUTION DAMAGES arising out of the actual, alleged, or threatened discharge, dispersal, release, migration, seepage, or escape of POLLUTANTS that are or that are contained in any property that is:

- (1) being moved from the place where such property or POLLUTANTS are accepted by the INSURED for movement into or onto the covered AUTO;
- (2) being moved from the covered AUTO to the place where such property or POLLUTANTS are finally delivered, disposed of or abandoned by the INSURED;
- (3) being transported or towed by the covered AUTO;
- (4) otherwise in the course of transit;
- (5) being stored, disposed of, treated or processed in or upon the covered AUTO.

Parts (1), (2) and (3) apply only to POLLUTANTS or POLLUTANTS contained in property being transported or towed by others for YOU.

Part (5) does not apply to fuels, lubricants, fluids, exhaust gases or other similar POLLUTANTS that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered AUTO or its parts, if the POLLUTANTS escape or are discharged, dispersed or released directly from an AUTO part designed by its manufacturer to hold, store, receive or dispose of such POLLUTANTS.

This exclusion does not apply to INJURY caused by heat, smoke or fumes from a hostile fire. A "hostile fire" is one that becomes uncontrollable or breaks out from where it was intended to be.

- (g) INJURY, COVERED POLLUTION DAMAGES or LOSS arising out of the ownership, maintenance, use, loading or unloading of any AUTO while:

- (1) operated in, or in practice or preparation for, any prearranged or organized race, rally, speed, demolition or competitive contest or stunting activity;
- (2) leased or rented by YOU to others;
- (3) being used as a taxi cab, bus, public livery vehicle, emergency ambulance, long haul public freight carrier, or for carrying property for a charge;

- (4) being used to transport explosives, gasoline, liquefied petroleum gas, or other volatile petroleum products;

- (h) under INSURING AGREEMENT A, INJURY or COVERED POLLUTION DAMAGES to:

- (1) personal property, including AUTOS, owned by, rented or leased to, used by, in the care, custody or control of, or being transported by the INSURED. This does not apply, with respect to INJURY, to liability assumed by YOU under a written sidetrack agreement, with respect to property used by YOU or in YOUR care, custody or control;

- (2) real property owned by, rented or leased to, used by or in the care, custody or control of the INSURED, except, with respect to INJURY:

- (i) to real property not owned by YOU caused by an AUTO operated by an INSURED;
- (ii) to liability assumed by YOU under a written sidetrack agreement, with respect to property used by YOU or in YOUR care, custody or control;

- (i) under INSURING AGREEMENT B, INJURY sustained while OCCUPYING or if struck by any AUTO YOU own or is furnished or available for YOUR regular use. This exclusion does not apply to an OWNED AUTO or a TEMPORARY SUBSTITUTE AUTO;

- (j) under INSURING AGREEMENT B, INJURY sustained while OCCUPYING or if struck by any AUTO owned by or furnished or available for use of any INSURED. This exclusion does not apply to YOU;

- (k) LOSS by theft, larceny, conversion, or secretion when YOU voluntarily part with evidence of title to or possession of an AUTO or TEMPORARY SUBSTITUTE AUTO;

- (l) LOSS to tires due and confined to blowout, puncture, or other road hazards;

- (m) LOSS due and confined to wear, tear, freezing, mechanical or electrical breakdown or failure;
- (n) to any two-way mobile radio or telephone, citizen's band radio, radar detector, scanning monitor or device for recording and/or reproducing sound or pictures, all including its accessories and antennas. This does not apply to:
 - (1) tape decks or other sound reproducing equipment permanently installed in, and antennas permanently attached to, the covered AUTO;
 - (2) two-way mobile radio or telephone, citizen's band radio or scanning monitor permanently installed in the opening or place normally used by the manufacturer for the installation of such equipment;
- (o) LOSS due to confiscation by duly constituted governmental or civil authority;
- (p) LOSS to a camper body designed to be mounted upon an AUTO and equipped as sleeping or living quarters. This exclusion does not apply if it is scheduled in the declarations;
- (q) INJURY, COVERED POLLUTION DAMAGES or LOSS due to radioactive contamination or the explosion or malfunction of a nuclear weapon, device or facility, WAR or their consequences.

THE MOST WE WILL PAY -

Under INSURING AGREEMENT A - Regardless of the number of INSUREDS or AUTOS insured by this Coverage Part, premiums charged, persons or organizations who sustain INJURY, claims made or SUITS brought, the most WE will pay is the applicable limit shown in the declarations for any one OCCURRENCE.

Under INSURING AGREEMENT B - The most WE will pay is the applicable limit as shown in the declarations. Any payment made under this agreement will be reduced by the amount paid or

payable for the same expenses under any other insurance afforded by this policy.

No payment will be made under this agreement unless the injured person (or their legal representatives) agrees in writing that any payment made will be applied toward any settlement or judgment that person receives for the same expenses under any other AUTO Liability or Uninsured Motorists Coverage provided by this policy.

Under INSURING AGREEMENT C - The most WE will pay for any one LOSS to an OWNED AUTO is the least of the following, all after deduction for reasonable depreciation:

- (a) the actual cash value of the OWNED AUTO;
- (b) the amount necessary to replace the OWNED AUTO with like kind and quality;
- (c) the amount necessary to repair the OWNED AUTO or its parts with like kind and quality;
- (d) the amount stated in the declarations for this Coverage Part.

Before payment of LOSS, WE may take all or any part of the salvage at the agreed or appraised value. There will be no abandonment to US.

COLLISION INVOLVING TWO OR MORE COVERED AUTOS - WE will apply only one deductible when two or more of YOUR OWNED AUTOS insured by this Coverage Part are involved in the same LOSS due to COLLISION. That will be the highest deductible shown in the declarations.

WE WILL ALSO PAY - Under INSURING AGREEMENT A, WE will pay, in addition to the limit:

- (a) all costs and expenses in defending an INSURED, and interest on that part of the judgment covered by this Coverage Part within OUR limits, that accrues after entry of any judgment in the SUIT WE defend,

but only until WE have paid, offered to pay or deposited in court that part of the judgment that is within OUR limit;

- (b) premiums on appeal bonds or bonds to release property used to secure YOUR legal obligations, in a SUIT WE defend, but only for bond amounts within OUR limit. Also, up to \$250 for the cost of bail bonds required because of an OCCURRENCE, including related traffic law violations. WE do not have to furnish or secure these bonds;
- (c) expenses YOU incur for first aid to anyone injured in an OCCURRENCE covered by this Coverage Part;
- (d) up to \$100 a day for loss of earnings (but not other income) because of attendance at hearings or trials at OUR request;
- (e) other reasonable expenses incurred at OUR request.

Under INSURING AGREEMENT C - In addition to payments in THE MOST WE WILL PAY provision, WE will also pay:

- (a) up to \$20 a day, but not for more than \$600, for incurred loss of use of an OWNED AUTO;
- (b) all ordinary and necessary expenses to return a stolen OWNED AUTO to YOU.

HOW WE WILL PAY - at OUR option:

Under INSURING AGREEMENT B, WE may pay the injured person or the person or organization rendering the service. Such payment does not mean WE admit any liability on any INSURED'S part;

Under INSURING AGREEMENT C, WE will pay for, repair, or replace the damaged or stolen OWNED AUTO.

INSURED'S DUTIES AFTER INJURY, COVERED POLLUTION DAMAGES, OCCUR-

RENCE, LOSS, CLAIM OR SUIT - If there is an OCCURRENCE, an INSURED is sued or a claim is made against them, or YOU sustain a LOSS:

- (a) YOU must report this to US as soon as possible. Give US all the details YOU can, including when, where and how it happened, the names and addresses of persons involved, injured, and any witnesses;
- (b) Under INSURING AGREEMENT A, each INSURED must promptly send US all documents if they are sued or a claim is made against them. If a dispute arises as to whether the INSURED mailed or WE received, a claim or SUIT, only a certified mailing receipt will be proof of mailing;
- (c) Under INSURING AGREEMENT B, any injured person must submit a written proof of claim (under oath and signed if WE require) and execute any documents to have medical reports and records released to US;
- (d) Under INSURING AGREEMENT C, YOU must:
 - (1) protect the OWNED AUTO, whether or not this insurance applies. Any further LOSS due to YOUR failure to do so will not be covered by this policy. WE will pay all reasonable expenses YOU incur for such protection;
 - (2) if the OWNED AUTO is stolen, notify the police;
 - (3) permit US to inspect the damaged OWNED AUTO prior to its repair or replacement, and submit a sworn proof of LOSS within 60 days;
- (e) Each INSURED must cooperate and assist US in the investigation, settlement, defense, enforcement of contribution or indemnification. The INSURED may not, except at their expense, make any offer or payment, assume any obligation or incur any expense unless otherwise permitted in this Coverage Part.

DAMAGED OWNED AUTO - When an OWNED AUTO is damaged, whether or not such damage is covered by this Coverage Part, OUR liability is reduced by the amount of such damage until repairs have been completed.

NO BENEFIT TO BAILEE - This insurance will not benefit, directly or indirectly, any carrier or bailee.

OUT OF STATE EXTENSION - While an OWNED AUTO or TEMPORARY SUBSTITUTE AUTO insured by this Coverage Part is away from the state where it is licensed and registered, WE will:

- (1) increase this Coverage Part limits to meet those specified by any compulsory or financial responsibility law in the jurisdiction where the AUTO is being used;
- (2) provide the minimum amounts and types of other coverages, such as "No Fault", required of out-of-state AUTOS by the jurisdiction where the AUTO is being used.

WE will not pay anyone more than once for the same elements of INJURY because of these extensions.

OTHER INSURANCE - The insurance afforded by this Coverage Part is primary, except it is excess:

- (1) under INSURING AGREEMENT A and C, while the OWNED AUTO is in the care,

custody, or control of any person or organization other than YOU, YOUR partner, executive officer, employee or a member of their or YOUR household;

- (2) under INSURING AGREEMENT A, B and C, over any collectible AUTO insurance provided on a TEMPORARY SUBSTITUTE AUTO.

If there is other AUTO medical payments insurance on an OWNED AUTO, WE will pay only the proportion that OUR limit under INSURING AGREEMENT B bears to the total of all applicable limits.

POLICY TERRITORY - This Coverage Part covers:

- (a) anywhere in the United States of America, its territories, or possessions, or Canada;
- (b) under INSURING AGREEMENTS A and B, in international waters or air space, if the LOSS or INJURY occurs in the course of travel or transportation between countries, states, or nations included in (a) above;
- (c) under INSURING AGREEMENT C, while being transported between ports of (a) above.

SUBROGATION - The SUBROGATION condition in the GENERAL CONDITIONS does not apply to INSURING AGREEMENT B.

**GENERAL LIABILITY
UNICOVER COVERAGE PART 950**

This Coverage Part applies only when it is shown in the declarations. Such insurance applies only to those insureds, security interests and locations designated for each coverage as identified in declarations item 2 by letter(s) or number.

The General Conditions apply except as amended or replaced in this Coverage Part.

INSURING AGREEMENT - WE will pay all sums the INSURED legally must pay as DAMAGES (including punitive DAMAGES where insurable by law) because of INJURY to which this Coverage Part applies, caused by an OCCURRENCE arising out of the following hazards when shown in the declarations.

WE will also pay all sums the insured legally must pay because of COVERED POLLUTION DAMAGES to which this insurance applies caused by an OCCURRENCE arising out of PRODUCTS-COMPLETED OPERATIONS HAZARD when such hazard is shown in the declarations and out of the operation of covered MOBILE EQUIPMENT or AUTOS.

CONTRACTORS - construction operations for YOU by any contractor at the PREMISES including YOUR acts or omissions in the general supervision of those operations.

CUSTOMER COMPLAINT DEFENSE - any SUIT filed against YOU during the Coverage Part period by or on behalf of a customer arising out of the sale, lease, rental, service or repair of YOUR PRODUCT, other than as a direct result of an OCCURRENCE.

EMPLOYMENT RELATED DEFENSE - any SUIT filed against YOU during the Coverage Part period by or on behalf of an employee arising out of YOUR employment practices, including wrongful termination, other than as a direct result of an OCCURRENCE or as would be cov-

ered by a Workers Compensation or Employer's Liability policy.

PREMISES - the ownership, maintenance or use of the premises scheduled in the declarations and all operations necessary or incidental thereto, except the PRODUCTS - COMPLETED OPERATIONS HAZARD.

PRODUCTS - COMPLETED OPERATIONS HAZARD - INJURY occurring away from the premises YOU own or rent and resulting from YOUR WORK or YOUR PRODUCT, representations or warranties made with respect to fitness, durability, performance or use of YOUR WORK or YOUR PRODUCT, and providing or failure to provide warning or instructions for YOUR PRODUCT or YOUR WORK. This does not apply if:

- (1) the PRODUCT is still in YOUR physical possession;
- (2) the WORK has not been completed or abandoned.

YOUR WORK will be deemed completed at the earliest of the following:

- (a) when YOU have completely fulfilled a contract specifying the WORK;
- (b) when all WORK to be performed by YOU at a specific site has been completed;
- (c) when the portion of the WORK out of which the INJURY arises has been put to its intended use by any one other than a contractor or subcontractor working on the same project.

WORK requiring service, maintenance, or corrective work, repair, or replacement because of a defect, but which are otherwise completed are deemed completed.

COMPLETED OPERATIONS does not include **INJURY** caused by:

- (a) the transportation of property, unless caused by the loading or unloading of a vehicle;
- (b) the existence of tools, uninstalled equipment or abandoned or unused materials.

WATERCRAFT - the ownership, maintenance, or use of the watercraft scheduled in the declarations, or its replacement, if reported to US during the Coverage Part period.

WE have the right and duty to defend any **SUIT** asking for these **DAMAGES**. WE may investigate and settle any claim or **SUIT** WE consider appropriate. OUR payment of the limit shown in the declarations ends OUR duty to defend.

WE have no right or duty to defend **SUITS** for **DAMAGES** not covered or declared by this Coverage Part.

WE will pay all defense costs actually incurred to defend any **SUIT** asking for **CUSTOMER COMPLAINT DEFENSE** and **EMPLOYMENT RELATED DEFENSE** when such insurance is included in the declarations. WE may investigate and, at OUR option, settle any such **SUIT**. If WE settle a **SUIT** the settlement will be at OUR expense except for the applicable deductible. Otherwise, all court costs, settlements and **DAMAGES** assessed against YOU will be at YOUR expense.

DEFINITIONS - When used in this Coverage Part:

"ADMINISTRATION" means (a) interpreting for or giving counsel to employees, (b) handling records, and (c) effecting enrollment, termination or cancellation of employees, all under YOUR employee benefits programs when such acts are authorized by YOU.

"AUTO" means any land motor vehicle, trailer or semi-trailer, designed for travel on public roads

and includes its permanently attached equipment. **AUTO** does not include **MOBILE EQUIPMENT**.

"COVERED POLLUTION DAMAGES" means those **POLLUTION DAMAGES** not otherwise excluded, which occur away from premises owned or operated by YOU, arising from:

- (1) YOUR **PRODUCT** or **WORK**;
- (2) **POLLUTANTS** while being transported on covered **MOBILE EQUIPMENT** or **AUTOS** by YOU;
- (3) fuel or lubricants, fluids, exhaust gases or similar **POLLUTANTS** needed for or resulting from normal electrical, hydraulic or mechanical functioning of the covered **MOBILE EQUIPMENT** or **AUTO** or their parts, if the **POLLUTANTS** escape or are discharged or released directly from a **MOBILE EQUIPMENT** or **AUTO** part designed by the manufacturer to hold, store, receive or dispose of such **POLLUTANTS**;
- (4) **POLLUTANTS**, not in or upon a covered **MOBILE EQUIPMENT** or **AUTO**, that are upset, overturned, or damaged as a result of the maintenance or use of a covered **MOBILE EQUIPMENT** or **AUTO** and are the direct result of such upset, overturn or damage.

"DAMAGES" means amounts awardable by a court of law. With respect to **INJURY** Group 6, **DAMAGES** also means amounts awardable by administrative agencies. **DAMAGES** does not mean civil penalties, fines or assessments.

"DISCRIMINATION" means violation of any statute prohibiting unequal treatment of protected classes, including reverse discrimination, and harassment arising therefrom.

"INJURY" means bodily injury, sickness, disease or disability (including death resulting from any of these) or damage to or loss of use of tangible property. Such **INJURY** is referred to as Group 1.

INJURY will also mean the following Groups, when shown in the declarations:

Group 2--mental anguish, mental injury, fright, shock, or humiliation, except when arising from DISCRIMINATION;

Group 3--false arrest, false imprisonment, wrongful eviction, wrongful detention, malicious prosecution, abuse of process, libel, slander, defamation of character, private nuisance (except pollution), invasion of rights of privacy or possession of personal property;

Group 4--plagiarism, misappropriation of advertising ideas or style, infringement of copyright, title, slogan or trademark;

Group 5--any error or omission in the ADMINISTRATION of YOUR profit sharing, pension or employee stock subscription plans or YOUR group life, group hospitalization or major medical, group accident and health, Worker's Compensation, unemployment, social security or disability benefits insurance;

Group 6--DISCRIMINATION.

"INSURED CONTRACT" means any of the following, if such contract or agreement is executed prior to the OCCURRENCE:

- (1) a lease of premises, elevator maintenance agreement, sidetrack agreement;
- (2) a license agreement in connection with vehicle or pedestrian private crossings at grade, any easement agreement except in connection with construction or demolition operations within 50 feet of a railroad;
- (3) an obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- (4) that part of any other contract or agreement pertaining to YOUR business (including an indemnification of a municipality in connection with WORK performed for a municipality) under which YOU assume the tort liability of another. However, this does not include that part of any contract or agreement that indemnifies an architect, engineer or surveyor for INJURY arising out of:

- (a) preparing, approving, or failing to prepare or approve maps, drawings,

- opinions, reports, surveys, change orders, designs or specifications;
- (b) giving directions or instructions, or failing to give them, if that is the primary cause of the INJURY.

"MOBILE EQUIPMENT" means vehicles designed for use principally off public roads, those not required to be licensed, and AUTOS used solely on YOUR premises. It includes, but is not limited to, bulldozers, power shovels, rollers, graders, scrapers, and any other road construction or repair equipment, farm machinery, cranes, forklifts, pumps, generators, air compressors, drills, street sweepers, riggers, or vehicles used to provide mobility for any of these when permanently attached to the equipment.

"OCCURRENCE" with respect to COVERED POLLUTION DAMAGES, INJURY Groups 1 and 2 means as accident, including continuous or repeated exposure to conditions, which results in such INJURY or COVERED POLLUTION DAMAGES during the Coverage Part period neither intended nor expected from the standpoint of a reasonably prudent person.

With respect to INJURY Groups 3, 4, 5 and 6, OCCURRENCE means acts of the INSURED during the Coverage Part period which result in such INJURY.

All INJURY or COVERED POLLUTION DAMAGES arising out of continuous or repeated exposure to substantially the same general conditions will be considered as arising out of one OCCURRENCE.

"POLLUTANTS" means any solid, liquid, gaseous, or thermal irritant or contaminant including (but not limited to) smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. "Waste" includes (but is not limited to) materials to be recycled, reconditioned, or reclaimed.

"POLLUTION DAMAGES" means any cost or expense arising out of a request, demand, order, claim or SUIT by or on behalf of a governmental authority demanding that the INSURED test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of POLLUTANTS.

"PRODUCTS" means the goods or products YOU made or sold, or those made or sold by others trading under YOUR name. It includes any container (other than a vehicle) for the goods or products, but does not include a vending machine or any property (other than a container) rented or located for use of others but not sold.

"SUIT" means a civil action for DAMAGES, including arbitration or mediation to which the INSURED must submit or submits with OUR consent. A class action is one SUIT. SUIT does not mean administrative actions (except under INJURY Group 6 and EMPLOYMENT RELATED DEFENSE) or equitable actions.

"WORK" means work or operations YOU perform or someone else performed for YOU, and includes materials, parts, or equipment furnished with such work or operations.

WHO IS AN INSURED - Except with respect to CUSTOMER COMPLAINT DEFENSE:

- (1) YOU;
- (2) YOUR spouse, if YOU are a sole proprietor;
- (3) Any of YOUR partners and their spouses, paid employees, executive officers, directors, or stockholders while acting within the scope of their duties as such;
- (4) With respect to watercraft, any person or organization legally responsible for the use of the described watercraft within the scope of YOUR permission;
- (5) With respect to MOBILE EQUIPMENT, any person (including any person or organization responsible for their conduct) while driving it on a public road with YOUR permission.

With respect to CUSTOMER COMPLAINT DEFENSE:

- (1) YOU;
- (2) YOUR spouse, if YOU are a sole proprietor;

- (3) Any of YOUR partners and their spouses, directors, executive officers, and stockholders, while acting within the scope of their duties as such.

WHO IS NOT AN INSURED - Any partnership or joint venture, unless the partnership or joint venture is shown in the declarations as a Named Insured. This does not apply to any joint venture of which YOU are a part, with respect to any coverage afforded to YOU under Group 4 of the definition of INJURY.

EXCLUSIONS - This insurance does not apply to:

- (a) INJURY, EMPLOYMENT RELATED DEFENSE, COVERED POLLUTION DAMAGES, or CUSTOMER COMPLAINT DEFENSE, if caused by any dishonest, fraudulent or criminal acts committed by any INSURED;
- (b) any act committed by or at the direction of the INSURED with intent to cause harm. This exclusion does not apply if INJURY arises solely from the intentional use of reasonable force for the purpose of protecting persons or property;
- (c) INJURY as defined in Groups 1 and 2 to any employee of the INSURED arising out of and in the course of their employment by or on behalf of the INSURED:
 - (1) for which the INSURED may be held liable as an employer or in any other capacity;
 - (2) any obligation of the INSURED to indemnify or contribute with another because of such INJURY;
 - (3) to any INJURY sustained by any relative of the employee as a consequence of the INJURY to such employee.

This exclusion does not apply:

- (i) under Part (1), to domestic employees of the INSURED not entitled to Workers' Compensation benefits;
- (ii) under Part (2), to any contract excepted in Exclusion (d);

- (iii) to damage to or loss of use of tangible property owned by such employees;
 - (iv) to INJURY, as defined in Group 1, to any of YOUR employees with respect to any claim made or SUIT filed against them by another of YOUR employees because of an OCCURRENCE arising out of and in the course of their employment by YOU;
- (d) liability assumed under any contract or agreement. This exclusion does not apply to an INSURED CONTRACT under:
- (i) INJURY Groups 1, 2 and 3;
 - (ii) INJURY Groups 4, 5 or 6 with respect to YOUR negligent acts;
- but in any event for no more coverage than is afforded the INSURED;
- (e) any claim made or SUIT arising out of any manufacturer's warranty, extended warranty, extended service agreement, or mechanical breakdown agreement;
- (f) INJURY, COVERED POLLUTION DAMAGES or CUSTOMER COMPLAINT DEFENSE arising out of the ownership, maintenance, repair, use, loading or unloading of any aircraft, or arising out of the manufacture, storage, sale, handling, or distribution of aircraft, aircraft engines, or aircraft parts;
- (g) INJURY or POLLUTION DAMAGES arising out of the actual, alleged, or threatened discharge, dispersal, release, migration, seepage or escape of POLLUTANTS:
- (1) that are or that are contained in any property that is:
 - (i) being moved from the place where such property or POLLUTANTS are accepted by the INSURED for movement into or onto the covered MOBILE EQUIPMENT or AUTO;
 - (ii) being moved from the covered MOBILE EQUIPMENT or AUTO to the place where such property or POLLUTANTS are finally delivered, disposed of or abandoned by the INSURED;

- (iii) being transported or towed by the covered MOBILE EQUIPMENT or AUTO;
- (iv) otherwise in the course of transit;
- (v) being stored, disposed of, treated or processed in or upon the covered MOBILE EQUIPMENT or AUTO;

Parts (1),(i),(ii) and (iii) do not apply to POLLUTANTS or POLLUTANTS contained in property, being transported or towed by, handled for movement into, onto or from a MOBILE EQUIPMENT or AUTO by YOU;

- (2) at or from premises owned, rented or occupied by an INSURED;
- (3) at or from any site or location used by or for any INSURED or others for the handling, storage, disposal, processing or treatment of waste;
- (4) at or from any site or location on which any INSURED or any contractors or subcontractors working directly or indirectly on an INSURED'S behalf are performing operations:
 - (i) to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize the POLLUTANTS;
 - (ii) if the POLLUTANTS are brought on or to the site in connection with such operations;
- (5) which are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any INSURED or any person or organization for whom the INSURED may be legally responsible.

This exclusion does not apply to INJURY caused by heat, smoke or fumes from a hostile fire. A "hostile fire" is one that becomes uncontrollable or breaks out from where it was intended to be;

Paragraphs (1) (v) and (2) through (5) do not apply to fuels, lubricants, fluids, exhaust gases or other similar POLLUTANTS that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the

covered MOBILE EQUIPMENT or AUTO and their parts, if the POLLUTANTS escape or are discharged, dispersed or released directly from a MOBILE EQUIPMENT or AUTO part designed by its manufacturer to hold, store, receive or dispose of such POLLUTANTS.

Paragraph (2) does not apply to airborne paint overspray.

Paragraphs (2) through (5) do not apply to POLLUTANTS not in or upon the covered MOBILE EQUIPMENT or AUTO if:

1. the POLLUTANTS or any property in which the POLLUTANTS are contained are upset, overturned or damaged as a result of the maintenance or use of the covered MOBILE EQUIPMENT or AUTO,
 2. the discharge, dispersal, release or escape of the POLLUTANTS is caused directly by such upset, overturn or damage, and
 3. the INJURY is not otherwise excluded under Paragraph (1) of this exclusion;
- (h) INJURY or COVERED POLLUTION DAMAGES arising out of YOUR business of serving, manufacturing, distributing or selling alcoholic beverages;
- (i) INJURY or COVERED POLLUTION DAMAGES arising out of the ownership, use, loading or unloading of any:
- (1) AUTO, except YOUR parking of an AUTO not owned, rented, leased, or loaned to any INSURED, on or on the ways next to the PREMISES scheduled in the declarations;
 - (2) MOBILE EQUIPMENT while being operated in, or in practice or preparation for any prearranged or organized race, rally, speed, demolition, or competitive contest or stunting activity; or to any snowmobile or trailer designed for use with it;
 - (3) watercraft (i) while rented or leased to others by YOU, (ii) carrying any passenger for a consideration, (iii) while afloat over fifty nautical miles from the coastal shoreline of the 48 contiguous United States, the District of Columbia, or Canada, (iv) while operated in, or in preparation for, any prearranged or organized race, rally, speed, or competitive contest or stunting activity.
- Part (3) of this exclusion does not apply to any watercraft while ashore on any premises insured under the PREMISES hazard;
- (j) INJURY or COVERED POLLUTION DAMAGES to property owned by, rented or leased to, used by, in the care, custody or control of, or being transported by the INSURED. This exclusion does not apply to liability assumed by YOU under a written sidetrack agreement with respect to property used by YOU or in YOUR care, custody, or control;
- (k) loss of use of property not physically damaged, if caused by:
- (1) YOUR delay or failure in performing any agreement or contract;
 - (2) the failure of YOUR PRODUCT or YOUR WORK to meet the quality warranted or the level of performance represented;
- (l) INJURY, COVERED POLLUTION DAMAGES or CUSTOMER COMPLAINT DEFENSE claimed because of the recall of YOUR PRODUCTS or YOUR WORK, or other property of which they form a part, due to a known or suspected defect or deficiency they contain;
- (m) INJURY, as defined in Groups 3 and 4 if the first injurious offense was committed prior to the Coverage Part period;
- (n) INJURY, as defined in Group 5, if caused by:
- (1) failure of performance by any insurer or self insurer;
 - (2) an INSURED'S failure to comply with any Workers' Compensation, unemployment insurance, Social Security or disability benefits law or similar laws;
 - (3) failure of investments or assets to perform as represented by an INSURED;
 - (4) advice given by an INSURED to an employee to participate or not to participate in stock subscription plans;

- (5) failure of any Employee Benefits program, for any reason;
- (6) the investment or non-investment of funds;
- (7) violation of the duties, obligations or responsibilities imposed by the Employee Retirement Income Security Act of 1974, its amendments, or any similar local, state or federal law. This exclusion also applies to all remedies under the Consolidated Omnibus Budget Reconciliation Act (COBRA) except to benefits due an employee prescribed by the act;

(o) INJURY, COVERED POLLUTION DAMAGES, CUSTOMER COMPLAINT DEFENSE or EMPLOYMENT RELATED DEFENSE arising out of an INSURED'S activities as an insurance agent, broker or consultant;

(p) radioactive contamination or the explosion or malfunction of a nuclear weapon, device or facility, or their consequences;

(q) INJURY or COVERED POLLUTION DAMAGES to premises after YOU transfer ownership or possession to another, if INJURY or COVERED POLLUTION DAMAGES is caused prior to the transfer;

(r) INJURY or COVERED POLLUTION DAMAGES arising out of the transportation of MOBILE EQUIPMENT by an AUTO owned, operated, rented, leased, or borrowed by YOU.

THE MOST WE WILL PAY - Regardless of the number of INSUREDS insured by this Coverage Part, premiums charged, persons or organizations who sustain INJURY or COVERED POLLUTION DAMAGES, claims made or SUITS brought, the most WE will pay is the limit shown in the declarations for any one OCCURRENCE.

With respect to liability assumed under a contract or agreement, WE will pay no more than the amount required by such contract or agreement, or the limit shown in the declarations, whichever is less.

With respect to CUSTOMER COMPLAINT DEFENSE and EMPLOYMENT RELATED DEFENSE, the limit per SUIT stated in the declarations in defense costs for such coverage, but not for more than the annual aggregate limit in the declarations for all such defense costs during the Coverage Part period.

Any settlement made by US under CUSTOMER COMPLAINT DEFENSE or EMPLOYMENT RELATED DEFENSE will be included in the limit per SUIT and the annual aggregate limit shown in the declarations.

OUR obligation to pay under CUSTOMER COMPLAINT DEFENSE will cease when the manufacturer assumes defense of such SUITS or claims made against an INSURED.

DEDUCTIBLES - From the amount payable for INJURY, other than Group 6, WE will deduct the amount shown in the declarations from each OCCURRENCE. As shown in the declarations:

"Work" means INJURY to AUTOS arising out of YOUR WORK.

"Products" means INJURY to YOUR PRODUCTS if caused by a defect existing in YOUR PRODUCT at the time possession was relinquished to the purchaser.

From the amounts payable for DAMAGES, settlements and defense costs for INJURY Group 6, WE will deduct the percentage shown in the declarations for each SUIT or claim filed against YOU. The most WE will deduct for all DAMAGES, settlements and defense costs for each claim or SUIT is that percentage times the limit shown in the declarations.

From the amounts payable for settlements and defense for CUSTOMER COMPLAINT DEFENSE and EMPLOYMENT RELATED DEFENSE, WE will deduct the amount shown in the declarations for each SUIT filed against YOU.

WE WILL ALSO PAY - WE will pay, in addition to OUR limits for INJURY and COVERED POLLUTION DAMAGES:

- (a) all costs and expenses in defending an INSURED, and interest on that part of the judgment covered by this Coverage Part within OUR limits, that accrues after entry of any judgment in any SUIT WE defend,

but only until WE have paid, offered to pay or deposited in court that part of the judgment that is within OUR limit;

- (b) premiums on appeal bonds or bonds to release property used to secure YOUR legal obligations, in a SUIT WE defend, but only for bond amounts within OUR limit. Also, up to \$250 for the cost of bail bonds required because of an OCCURRENCE, including related traffic law violations. WE do not have to furnish or secure these bonds;
- (c) expenses YOU incur for first aid to anyone injured in an OCCURRENCE covered by this Coverage Part;
- (d) up to \$100 a day for loss of earnings (but not other income) because of attendance at hearings or trials at OUR request;
- (e) other reasonable expenses incurred at OUR request.

INSURED'S DUTIES AFTER INJURY, COVERED POLLUTION DAMAGES, OCCURRENCE, CLAIM OR SUIT - If there is an OCCURRENCE, the INSURED is sued, or a claim is made against an INSURED:

- (1) YOU must report this to US as soon as possible. Give US all the details YOU can, including when, where and how it happened, the names and addresses of persons involved, injured, and any witnesses;
- (2) Each INSURED must promptly send US all documents, if they are sued or if claim is made against them. If a dispute arises as to whether an INSURED mailed, or WE received, notice of claim or SUIT, only a certified mailing receipt will be proof of mailing;
- (3) Each INSURED must cooperate and assist US in the investigation, settlement,

defense, enforcement of contribution or indemnification. The INSURED may not, except at their own expense, make any offer or payment, assume any obligation or incur any expense unless otherwise permitted by this Coverage Part.

NEWLY ACQUIRED ORGANIZATIONS EXTENSION - The insurance afforded by this Coverage Part is extended to include as a named insured any organization acquired or formed by YOU and which YOU maintain ownership or in which the majority interest is the same as YOU. This extension ends the earlier of 90 days from (a) the date of acquisition or formation or (b) the date YOU report the newly acquired or formed organization to US. This extension does not apply to any organization:

- (1) that is a joint venture;
- (2) that is an insured under any other liability or indemnity policy;
- (3) that has exhausted its limit of insurance under any other liability policy;
- (4) which is in a different business than YOU.

OTHER INSURANCE - The insurance afforded by this Coverage Part is primary, except it is excess:

- (1) for COVERED POLLUTION DAMAGES, CUSTOMER COMPLAINT DEFENSE, and EMPLOYMENT RELATED DEFENSE ;
- (2) under the LIMITED WORLDWIDE LIABILITY EXTENSION.

LIMITED WORLDWIDE LIABILITY EXTENSION - With respect to INJURY, the POLICY TERRITORY is extended to anywhere in the world when caused by an INSURED who permanently lives in the United States of America, its possessions, or Canada but only while temporarily outside those places. This extension does not apply to WATERCRAFT.

**PERSONAL UMBRELLA
UNICOVER COVERAGE PART 970**

This Coverage Part applies only when it is shown in the declarations. Such insurance applies only to those insureds, security interests and locations designated for each coverage as identified in declarations item 2 by letter(s) or number.

The General Conditions apply except as amended or replaced in this Coverage Part.

INSURING AGREEMENT - WE will pay for LOSS, subject to the terms and conditions of this Coverage Part, in excess of:

- (a) coverage provided in any UNDERLYING INSURANCE;
- (b) coverage provided to an INSURED in any other insurance;
- (c) in the absence of (a) or (b) the retention shown in the declarations.

WE have the right and duty to defend any SUIT for LOSS not covered by other insurance, but WE have no right or duty to defend SUITS for LOSS not covered by this Coverage Part. WE may investigate and settle any claim or SUIT WE consider appropriate.

WE also have the right to defend any SUIT for LOSS covered by other insurance.

OUR payment of the limit shown in the declarations ends OUR duty to defend.

DEFINITIONS - When used in this Coverage Part:

"AUTO" means a land motor vehicle, trailer or semi-trailer, including farm tractors and farm implements.

"COVERED POLLUTION DAMAGES" means those POLLUTION DAMAGES not otherwise excluded which occur away from premises owned or operated by YOU, arising from:

- (1) fuel or lubricants, fluids, exhaust gases or other similar POLLUTANTS needed for or resulting from the normal electrical, hydraulic or mechanical functioning of the covered AUTO or its parts, if the POLLUTANTS escape or are discharged or released directly from an AUTO part designed by the manufacturer to hold, store, receive or dispose of such POLLUTANTS;
- (2) POLLUTANTS, not in or upon a covered AUTO, that are upset, overturned or damaged as a result of the maintenance or use of a covered AUTO and are the direct result of such upset, overturn or damage.

"DAMAGES" means amounts awardable by a court of law. With respect to part 4 of the definition of INJURY, DAMAGES also means amounts awardable by administrative agencies. DAMAGES does not mean civil penalties, fines or assessments.

"DISCRIMINATION" means violation of any statute prohibiting unequal treatment of protected classes, including reverse discrimination, and harassment arising therefrom.

"INJURY" means (1) bodily injury, sickness, disease, or disability (including death resulting from any of these) or damage to or loss of use of tangible property, (2) mental anguish, mental injury, fright, shock, or humiliation, except when arising from DISCRIMINATION, (3) false arrest, false imprisonment, wrongful detention, abuse of process, wrongful eviction, malicious prosecution, libel, slander, defamation, private nuisance (except pollution), invasion of rights of privacy or possession of personal property, (4) DISCRIMINATION.

"LOSS" means all sums the INSURED legally must pay as DAMAGES because of INJURY to which this insurance applies caused by an OCCURRENCE. LOSS also means all sums the

INSURED must pay as **COVERED POLLUTION DAMAGES** to which this insurance applies caused by an **OCCURRENCE**.

"**OCCURRENCE**" with respect to parts 1 and 2 of the definition of **INJURY** and to **COVERED POLLUTION DAMAGES**, means an accident, including continuous or repeated exposure to conditions, which results in such **INJURY** or **COVERED POLLUTION DAMAGES** during the Coverage Part period neither intended nor expected from the standpoint of a reasonably prudent person.

With respect to parts 3 and 4 of the definition of **INJURY**, **OCCURRENCE** means acts of the **INSURED** during the Coverage Part period which result in such **INJURY**.

All **INJURY** or **COVERED POLLUTION DAMAGES** arising out of continuous or repeated exposure to substantially the same general conditions will be considered as arising out of one **OCCURRENCE**.

"**POLLUTANTS**" means any solid, liquid, gaseous, or thermal irritant or contaminant including (but not limited to) smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. "Waste" includes (but is not limited to) materials to be recycled, reconditioned, or reclaimed.

"**POLLUTION DAMAGES**" means any cost or expense arising out of a request, demand, order, claim or **SUIT** by or on behalf of a governmental authority demanding that the **INSURED** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **POLLUTANTS**.

"**SUIT**" means a civil action for **DAMAGES**, including arbitration or mediation to which the **INSURED** must submit or submits with **OUR** consent. A class action is one **SUIT**. **SUIT** does not mean administrative actions (except under part 4 of the definition of **INJURY**) or equitable actions.

"**UNDERLYING INSURANCE**" means the coverage and limits of liability afforded to **YOU** by the underlying policy(s) or insurance scheduled in the declarations for this Coverage Part.

WHO IS AN INSURED - With respect to this Coverage Part:

- (1) **YOU**;
- (2) If a resident of **YOUR** household:
 - (a) **YOUR** spouse;
 - (b) a relative or ward of **YOURS**;
 - (c) any other person under the age of 21 in the care of any of the foregoing.

EXCLUSIONS - This insurance does not apply to:

- (a) **INJURY** or **COVERED POLLUTION DAMAGES** caused by any dishonest, fraudulent or criminal act committed by any **INSURED**;
- (b) any act committed by or at the direction of the **INSURED** with intent to cause harm. This exclusion does not apply if **INJURY** arises solely from the intentional use of reasonable force for the purpose of protecting persons or property;
- (c) **INJURY** to any employee of the **INSURED** arising out of and in the course of their employment by the **INSURED**:
 - (1) for which the **INSURED** may be held liable as an employer or in any other capacity;
 - (2) any obligation of the **INSURED** to indemnify or contribute with another because of such **INJURY**;
 - (3) to any **INJURY** sustained by any relative of the employee as a consequence of the **INJURY** to such employee.

Part (1) does not apply to domestic employees;

- (d) liability assumed by an **INSURED** under any contract for **INJURY** which is an extension of the liability imposed upon the **INSURED** by statutory or common law, or **INJURY** to property to the extent an **INSURED** is under contract to provide insurance;

- (e) the ownership, maintenance, repair, use, loading or unloading of any aircraft or hovercraft;
- (f) any act or omission of the INSURED in any business, profession, or occupational pursuits, or as an officer or member of any board of directors of any corporation or other organization. This exclusion does not apply to:
 - (1) farm properties;
 - (2) the INSURED'S activities as an officer or member of any organization or corporation which is not formed for profit;
 - (3) property YOU rent to others when there is UNDERLYING INSURANCE for such property.

Part (2) of the exception does not apply to:

- (i) any activity on behalf of the government of the United States, Canada, or their political subdivisions;
 - (ii) any activity by a not-for-profit organization or corporation made directly or indirectly on behalf of a parent or ancillary organization or corporation that is formed for-profit;
- (g) INJURY or POLLUTION DAMAGES arising out of the actual, alleged, or threatened discharge, dispersal, release, migration, seepage, or escape of POLLUTANTS:
- (1) that are or that are contained in any property that is:
 - (i) being moved from the place where such property or POLLUTANTS are accepted by the INSURED for movement into or onto the covered AUTO;
 - (ii) being moved from the covered AUTO to the place where such property or POLLUTANTS are finally delivered, disposed of or abandoned by the INSURED;
 - (iii) being transported or towed by the covered AUTO;
 - (iv) otherwise in the course of transit;
 - (v) being stored, disposed of, treated or processed in or upon the covered AUTO;

- (2) at or from premises owned, rented or occupied by an INSURED;
- (3) at or from any site or location used by or for any INSURED or others for the handling, storage, disposal, processing or treatment of waste;
- (4) at or from any site or location on which any INSURED or any contractors or subcontractors working directly or indirectly on an INSURED'S behalf are performing operations:
 - (i) to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize the POLLUTANTS;
 - (ii) if the POLLUTANTS are brought on or to the site in connection with such operations;
- (5) which are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any INSURED or any person or organization for whom the INSURED may be legally responsible.

This exclusion does not apply to INJURY caused by heat, smoke or fumes from a hostile fire. A "hostile fire" is one that becomes uncontrollable or breaks out from where it was intended to be.

Paragraphs (1)(v) and (2) through (5) do not apply to fuels, lubricants, fluids, exhaust gases or other similar POLLUTANTS that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered AUTO or its parts, if the POLLUTANTS escape or are discharged, dispersed or released directly from an AUTO part designed by its manufacturer to hold, store, receive or dispose of such POLLUTANTS.

Paragraphs (2) through (5) do not apply to POLLUTANTS not in or upon the covered AUTO if:

- 1. the POLLUTANTS or any property in which the POLLUTANTS are contained

- are upset, overturned or damaged as a result of the maintenance or use of the covered AUTO,
2. the discharge, dispersal, release or escape of the POLLUTANTS is caused directly by such upset, overturn or damage, and
 3. the INJURY is not otherwise excluded under Paragraph (1) of this exclusion;
- (h) the ownership, maintenance, repair, use, loading or unloading of any AUTO or watercraft. This exclusion does not apply to the extent any insurance is afforded by the UNDERLYING INSURANCE. In no event will this insurance apply to any watercraft in excess of 35 feet in length;
- (i) any AUTO or watercraft while:
- (1) rented or leased to others by an INSURED;
 - (2) being operated in, or in preparation for any prearranged or organized race, rally, speed, demolition, or competitive contest, or stunting activity, or obstacle course;
 - (3) being used as a taxicab, bus, public livery vehicle, emergency ambulance, long haul public freight carrier, carrier of property for a charge, transportation of explosives, gasoline, liquefied petroleum gas, or other volatile petroleum products;
- (j) INJURY or COVERED POLLUTION DAMAGES to: (1) property owned by an INSURED; (2) watercraft rented to, used by, or in the care, custody or control of an INSURED;
- (k) part 3 of the definition of INJURY, if the first injurious offense was committed prior to the Coverage part period;
- (l) radioactive contamination or the explosion or malfunction of a nuclear weapon, device or facility, or their consequences;
- (m) punitive DAMAGES awarded against the INSURED, unless insurable by law and covered by the UNDERLYING INSURANCE;
- (n) any INJURY recoverable under automobile no-fault or personal injury protection, Uninsured Motorists or Underinsured Motorists Coverages;
- (o) INJURY to any INSURED, except as covered by UNDERLYING INSURANCE;
- (p) INJURY arising from the transmission of a communicable disease by any INSURED.
- THE MOST WE WILL PAY** - Regardless of the number of INSUREDS, AUTOS, or watercraft insured or premiums charged by this Coverage Part, persons or organizations who sustain INJURY or COVERED POLLUTION DAMAGES, claims made or SUITS brought, the most WE will pay is the least of the following:
- (a) when there is no coverage for a LOSS available to the INSURED in the UNDERLYING INSURANCE or any other insurance, WE will pay the difference between OUR limit and the retention which are both shown in the declarations;
 - (b) when coverage for a LOSS is available to the INSURED in the UNDERLYING INSURANCE only, WE will pay OUR limit in excess of such UNDERLYING INSURANCE;
 - (c) when there is no coverage for a LOSS available to the INSURED in the UNDERLYING INSURANCE but there is coverage available under another insurance policy (which was not purchased as excess of this policy), WE will pay OUR limit in excess of the limits of such other insurance;
 - (d) when there is coverage for a LOSS available in both the UNDERLYING INSURANCE and any other insurance (which was not purchased as excess of this policy) WE will pay OUR limit shown in the declarations but only after the UNDERLYING INSURANCE and such other insurance have been exhausted.
- MAINTENANCE OF UNDERLYING INSURANCE** - This insurance will apply as if the

UNDERLYING INSURANCE is in effect, even if (1) YOU have reduced such insurance or failed to keep it in effect, (2) coverage has been denied or reduced due to the INSURED'S failure to comply with the policy conditions, or (3) the underlying insurer is bankrupt or insolvent. This condition does not apply to the exhaustion of an aggregate limit in the UNDERLYING INSURANCE.

WE WILL ALSO PAY - If there is no UNDERLYING INSURANCE or any other insurance available to an INSURED, and coverage is afforded by this Coverage Part (except for the INSURED'S retention) WE will pay, in addition to OUR limit:

- (a) all costs and expenses in defending an INSURED, and interest on that part of the judgment covered by this Coverage Part within OUR limits, that accrues after entry of any judgment in any SUIT WE defend, but only until WE have paid, offered to pay or deposited in court that part of the judgment that is within OUR limit;
- (b) premiums on appeal bonds or bonds to release property used to secure YOUR legal obligations, in a SUIT WE defend, but only for bonds up to OUR limit. Also, up to \$250 for the costs of bail bonds required because of an OCCURRENCE, including related traffic law violations. WE do not have to furnish or secure these bonds;
- (c) other reasonable expenses incurred at OUR request.

If any jurisdiction will not let US defend YOU, WE will pay any such expenses when WE agree, in advance, in writing.

HOW WE WILL PAY - WE have no obligation to pay for a LOSS until (1) the UNDERLYING INSURANCE carrier(s) has paid or agreed to pay their policy limits, (2) any other insurer whose policy is available to the INSURED has paid or agreed to pay its policy limits, and (3) the INSURED has paid or agreed to pay the retention or any difference between the limits stated in

this UNDERLYING INSURANCE and the actual limits (if less) as stated in such policies.

INSURED'S DUTIES AFTER INJURY, COVERED POLLUTION DAMAGES, OCCURRENCE, CLAIM OR SUIT - If there is an OCCURRENCE, the INSURED is sued or a claim is made against an INSURED:

- (1) YOU must report this to US as soon as possible. Give US all the details YOU can, including when, where and how it happened, the names and addresses of persons involved, injured and any witnesses;
- (2) Each INSURED must promptly send US all documents, if they are sued or if claim is made against them. If a dispute arises as to whether an INSURED mailed, or WE received, notice of claim or SUIT, only a certified mailing receipt will be proof of mailing;
- (3) Each INSURED must cooperate and assist US in the investigation, settlement, defense, enforcement of contribution or indemnification. The INSURED may not, except at their own expense, make any offer or payment, assume any obligation or incur any expenses unless otherwise permitted in this Coverage Part.

DEFENSE AND SETTLEMENT - If there is UNDERLYING INSURANCE or other insurance available to the INSURED, WE will not assume charge of defense or settlement of any claims made or SUITS brought against the INSURED. After the UNDERLYING INSURANCE or other insurance has been exhausted, by payment (or written agreement to pay) and all duties to defend have been extinguished, WE will assume charge of further defense or settlement.

WE do have the right to associate with the INSURED in defense and control of any claim or SUIT likely to include US.

APPEALS - If the INSURED, the UNDERLYING INSURANCE carrier, or any other insurance carrier that has insurance available to the

INSURED, chooses not to appeal a judgment in excess of their retention or limits, WE may do so. WE will pay all expenses, and be liable for the costs and interests for the appeal. In no event, however, will OUR liability exceed the limit stated in the declaration.

OTHER INSURANCE - Except as provided in THE MOST WE WILL PAY, the insurance afforded by this Coverage Part is excess over the amount due from any other insurance, whether collectible or not.

NON-STACKING OF LIMITS - When an INSURED has coverage for a LOSS under this

Coverage Part and any other Umbrella policy issued by US, the most WE will pay is the percentage the limit under this Coverage Part bears to the total limits of all such policies, but not for more than that percentage of the highest limit of all such policies.

POLICY TERRITORY - This Coverage Part applies anywhere in the world, except with respect to watercraft. Watercraft are covered, while afloat, only within fifty nautical miles of the coastal shoreline of the 48 contiguous United States, the District of Columbia, or Canada.